

State of Arizona
House of Representatives
Forty-ninth Legislature
Third Special Session
2009

HOUSE BILL 2006

AN ACT

AMENDING LAWS 2009, CHAPTER 11, SECTION 21, AS AMENDED BY LAWS 2009, CHAPTER 12, SECTION 11; REPEALING LAWS 2009, CHAPTER 11, SECTION 31, AS AMENDED BY LAWS 2009, CHAPTER 12, SECTION 16; REPEALING LAWS 2009, CHAPTER 11, SECTION 34, AS AMENDED BY LAWS 2009, CHAPTER 12, SECTION 19; REPEALING LAWS 2009, CHAPTER 11, SECTION 47, AS AMENDED BY LAWS 2009, CHAPTER 12, SECTION 27; REPEALING LAWS 2009, CHAPTER 11, SECTIONS 100, 101, 102, 103, 104 AND 114; REPEALING LAWS 2009, CHAPTER 12, SECTION 60; REPEALING LAWS 2009, THIRD SPECIAL SESSION, CHAPTER 1, SECTIONS 1 AND 2; MAKING TRANSFERS AND APPROPRIATIONS FOR THE DIFFERENT DEPARTMENTS OF THE STATE, FOR STATE INSTITUTIONS AND FOR PUBLIC SCHOOLS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Laws 2009, chapter 11, section 21, as amended by Laws 2009, chapter 12, section 11, is amended to read:

Sec. 21. ARIZONA COMMUNITY COLLEGES

	<u>2009-10</u>
<u>Equalization aid</u>	
Cochise	\$ 7,841,800
Graham	17,465,400
Navajo	6,624,000
Yuma/La Paz	<u>2,938,300</u>
Total - equalization aid	\$ 34,869,500
<u>Operating state aid</u>	
Cochise	\$ 7,488,700
Coconino	2,679,400
Gila	658,400
Graham	4,243,900
Maricopa	45,327,400
Mohave	3,682,900
Navajo	3,590,000
Pima	15,942,100
Pinal	4,935,100
Yavapai	4,196,000
Yuma/La Paz	<u>4,812,900</u>
Total - operating state aid	\$ 97,556,800
Rural county reimbursement subsidy	<u>\$ 1,000,000</u>
Total appropriation - Arizona community colleges	\$133,426,300
Fund sources:	
State general fund	\$133,426,300

Performance measures:

Number of applied baccalaureate programs

collaboratively developed with universities 13

Of the \$1,000,000 appropriated to the rural county reimbursement subsidy line item, Apache county will receive ~~\$523,500~~ \$466,000, Greenlee county ~~\$188,700~~ \$382,800 and Santa Cruz county ~~\$287,800~~ \$151,200.

The appropriated monies shall not be used to implement the centennial scholars program.

Sec. 2. Repeal

The following sections are repealed:

~~1. Laws 2009, chapter 11, section 31, as amended by Laws 2009, chapter 12, section 16.~~

~~2. Laws 2009, chapter 11, section 34, as amended by Laws 2009, chapter 12, section 19.~~

~~3. Laws 2009, chapter 11, section 47, as amended by Laws 2009, chapter 12, section 27.~~

VETO

1 4. Laws 2009, chapter 11, sections 100, 101, 102, 103, 104 and 114.
 2 5. Laws 2009, chapter 12, section 60.

3 ~~6. Laws 2009, third special session, chapter 110 sections 1 and 2.~~

4 Sec. 3. Appropriation reductions; unavailable monies

5 A. Except as provided in section 5 of this act, the amounts
 6 appropriated in this act for the support and maintenance of departments of
 7 this state and state institutions for fiscal year 2009-2010 are reduced by
 8 the amount already spent in fiscal year 2009-2010 by any department of this
 9 state or state institutions under prior expenditure authority authorized by
 10 any of the sections being repealed in section 2 of this act.

11 B. If monies from funding sources in this act are unavailable, no
 12 other funding source shall be used.

13 ~~Sec. 4. DEPARTMENT OF ECONOMIC SECURITY~~

14 2009-10

15 Agencywide operating

16 FTE positions 5,596.4

17 Operating lump sum appropriation \$191,615,600

18 Fund sources:

19 State general fund \$ 29,424,000

20 Federal child care and development

21 fund block grant 11,662,900

22 Federal temporary assistance

23 for needy families block grant 73,856,400

24 Public assistance collections

25 fund 315,600

26 Spinal and head injuries trust

27 fund 96,400

28 Statewide cost allocation plan

29 fund 1,000,000

30 Federal Reed act grant 3,495,700

31 Workforce investment act grant 2,283,700

32 Children and family services

33 training program fund 209,600

34 Child support enforcement

35 administration fund 11,423,100

36 Expenditure authority 57,848,200

37 Administration

38 Finger imaging \$ 738,800

39 Fund sources:

40 State general fund \$ 461,300

41 Federal temporary assistance

42 for needy families block

43 grant 277,500

44 ~~Attorney general legal services \$ 1,042,000~~

1 Fund sources:

2	State general fund	\$ 747,900
3	Federal child care and development	
4	fund block grant	17,300
5	Federal temporary assistance for	
6	needy families block grant	168,000
7	Public assistance collections	
8	fund	108,800
9	Triagency disaster recovery	\$ 271,500

10 Fund sources:

11	Risk management fund	\$ 271,500
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12 In accordance with section 35-142.01, Arizona Revised Statutes, the
 13 department of economic security shall remit to the department of
 14 administration any monies received as reimbursement from the federal
 15 government or any other source for the operation of the department of
 16 economic security west building and any other building lease-purchased by the
 17 state of Arizona in which the department of economic security occupies space.
 18 The department of administration shall deposit these monies in the state
 19 general fund.

20 In accordance with section 38-654, Arizona Revised Statutes, the
 21 department of economic security shall transfer to the department of
 22 administration for deposit in the special employee health insurance trust
 23 fund any unexpended state general fund monies at the end of each fiscal year
 24 appropriated for employer health insurance contributions.

25 Developmental disabilities

26	Case management - title XIX	\$ 42,509,800
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27 Fund sources:

28	State general fund	\$ 14,471,500
29	Expenditure authority	28,038,300
30	Home and community based	
31	services - title XIX	\$655,050,900

32 Fund sources:

33	State general fund	\$219,352,000
34	Expenditure authority	435,698,900
35	Institutional services - title XIX	\$ 15,873,000

36 Fund sources:

37	State general fund	\$ 5,430,900
38	Expenditure authority	10,442,100
39	Medical services	\$142,813,300

40 Fund sources:

41	State general fund	\$ 48,904,800
42	Expenditure authority	93,908,500

43 Arizona training program at

44	Coolidge title XIX	\$ 17,018,800
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1	Fund sources:	
2	State general fund	\$ 5,783,200
3	Expenditure authority	11,235,600
4	Medicare clawback payments	\$ 2,456,100
5	Fund sources:	
6	State general fund	\$ 2,456,100
7	Case management - state-only	\$ 4,496,000
8	Fund sources:	
9	State general fund	\$ 4,496,000
10	Home and community based	
11	services - state-only	\$ 21,697,500
12	Fund sources:	
13	State general fund	\$ 20,849,400
14	Long-term care system fund	848,100
15	It is the intent of the legislature that in fiscal year 2009-2010,	
16	\$15,000,000 will be disbursed from the state fiscal stabilization fund to the	
17	department of economic security for state-only home and community-based	
18	services. These monies shall be disbursed in accordance with the provisions	
19	of the American recovery and reinvestment act of 2009 (P.L. 111-5).	
20	Institutional services - state-only	\$ 294,900
21	Fund sources:	
22	State general fund	\$ 294,900
23	Arizona training program at	
24	Coolidge - state-only	\$ 566,400
25	Fund sources:	
26	State general fund	\$ 566,400
27	State-funded long-term care	
28	services	\$ 26,383,300
29	Fund sources:	
30	State general fund	\$ 762,900
31	Long-term care system fund	25,620,400
32	Developmental disabilities non-title	
33	XIX reduction	\$(2,959,100)
34	Fund sources:	
35	State general fund	\$(2,959,100)
36	Autism training and oversight	\$ 200,000
37	Fund sources:	
38	Tobacco tax and healthcare -	
39	health research account	\$ 200,000
40	Arizona early intervention program	\$ 2,041,700
41	Fund sources:	
42	State general fund	\$ 2,041,700
43	Performance measures:	
44	Per cent of consumer satisfaction with	
45	case management services	

1 ~~Per cent of relatives and caregivers~~

2 of consumers stating the services

3 received meet the consumers needs

95

4 Per cent of relatives and caregivers

5 of consumers satisfied with the

6 providers and services received

95

7 It is the intent of the legislature that any available surplus monies
8 for developmental disability programs be applied toward the waiting list,
9 unless there are insufficient monies to annualize these costs in the
10 subsequent year. The children's waiting list shall receive first priority.
11 The amount appropriated for developmental disabilities shall be used to
12 provide for services for nontitle XIX eligible clients. The amount shall not
13 be used for other purposes, unless a transfer of monies is reviewed by the
14 joint legislative budget committee.

15 The department of economic security shall report all new placements
16 into a state-owned ICF-MR or the Arizona training program at Coolidge campus
17 in fiscal year 2009-2010 to the president of the senate, the speaker of the
18 house of representatives, the chairpersons of the senate and house of
19 representatives appropriations committees and the director of the joint
20 legislative budget committee and the reason why this placement, rather than a
21 placement into a privately run facility for the developmentally disabled, was
22 deemed as the most appropriate placement. The department shall also report
23 if no new placements were made. This report shall be made available by July
24 15, 2010.

25 All monies in the long-term care system fund unexpended and
26 unencumbered at the end of fiscal year 2009-2010 revert to the state general
27 fund, subject to approval by the Arizona health care cost containment system
28 administration.

29 The department shall report to the joint legislative budget committee
30 by March 1 of each year on preliminary actuarial estimates of the capitation
31 rate changes for the following fiscal year along with the reasons for the
32 estimated changes. For any actuarial estimates that include a range, the
33 total range from minimum to maximum shall be not more than two per cent.
34 Before implementation of any changes in capitation rates for the long-term
35 care program, the department of economic security shall report for review the
36 expenditure plan to the joint legislative budget committee. Before the
37 department implements any changes in policy affecting the amount,
38 sufficiency, duration and scope of health care services and who may provide
39 services, the department shall prepare a fiscal impact analysis on the
40 potential effects of this change on the following year's capitation rates.
41 If the fiscal analysis demonstrates that these changes will result in
42 additional state costs of \$500,000 or greater for a given fiscal year, the
43 department shall submit the policy changes for review by the joint
44 legislative budget committee.

1 ~~Prior to the implementation of any developmentally disabled or long-~~
 2 ~~term care statewide provider rate adjustments not already specifically~~
 3 ~~authorized by the legislature, court mandates or changes to federal law, the~~
 4 ~~department shall submit a report for review by the joint legislative budget~~
 5 ~~committee. The report shall include, at a minimum, the estimated cost of the~~
 6 ~~provider rate adjustment and the ongoing source of funding for the~~
 7 ~~adjustment, if applicable.~~

8 For fiscal year 2009-2010, the department of economic security shall
 9 not increase reimbursement rates for community service providers and
 10 independent service agreement providers contracting with the division of
 11 developmental disabilities.

12 It is the intent of the legislature that in fiscal year 2009-2010,
 13 \$2,300,000 will be disbursed from the state fiscal stabilization fund to the
 14 department of economic security for children's autism intensive behavioral
 15 treatment services and for children's autism intensive early intervention
 16 services for toddlers. These monies shall be disbursed in accordance with
 17 the provisions of the American recovery and reinvestment act of 2009
 18 (P.L. 111-5).

19 Benefits and medical eligibility

20 Temporary assistance for

21 needy families cash

22 benefits

\$121,873,400

23 Fund sources:

24 State general fund

\$ 41,242,700

25 Federal temporary assistance

26 for needy families block

27 grant

80,630,700

28 Tribal pass-through funding

\$ 5,192,300

29 Fund sources:

30 State general fund

\$ 5,192,300

31 Tuberculosis control payments

\$ 32,200

32 Fund sources:

33 State general fund

\$ 32,200

34 Performance measures:

35 Per cent of cash benefits issued timely

96.0

36 Per cent of total cash benefits payments

37 issued accurately

95.0

38 Per cent of total food stamps payments

39 issued accurately

96.0

40 Per cent of clients satisfied with family

41 assistance administration

90.0

42 The operating lump sum appropriation may be expended on Arizona health
 43 care cost containment system eligibility determinations based on the results
 44 of the Arizona random moment sampling survey.

1 ~~Any transfer to or from the \$121,873,400 appropriated for temporary~~
 2 assistance for needy families cash benefits requires review by the joint
 3 legislative budget committee.

4 Of the amount appropriated for temporary assistance for needy families
 5 cash benefits, \$500,000 reflects appropriation authority only to ensure
 6 sufficient cashflow to administer cash benefits for tribes operating their
 7 own welfare programs. The department shall notify the joint legislative
 8 budget committee and the governor's office of strategic planning and
 9 budgeting staff before the use of any of the \$500,000 appropriation
 10 authority.

11 Child support enforcement

12 Genetic testing \$ 360,000

13 Fund sources:

14 State general fund \$ 122,400

15 Expenditure authority 237,600

16 County participation \$ 8,645,200

17 Fund sources:

18 Child support enforcement

19 administration fund \$ 1,384,100

20 Expenditure authority 7,261,100

21 Attorney general legal services \$ 9,901,400

22 Fund sources:

23 State general fund \$ 887,500

24 Child support enforcement

25 administration fund 2,426,500

26 Expenditure authority 6,587,400

27 Performance measures:

28 Total IV-D collections \$371,500,000

29 Ratio of current IV-D support collected

30 and distributed to current IV-D support

31 due 50.4

32 All state share of retained earnings, fees and federal incentives above
 33 \$15,233,700 received by the division of child support enforcement are
 34 appropriated for operating expenditures. New full-time equivalent positions
 35 may be authorized with the increased funding. The division of child support
 36 enforcement shall report the intended use of the monies to the president of
 37 the senate, the speaker of the house of representatives, the chairpersons of
 38 the senate and house of representatives appropriations committees and the
 39 directors of the joint legislative budget committee and the governor's office
 40 of strategic planning and budgeting.

41 Aging and community services

42 Adult services \$ 18,977,700

43 Fund sources:

44 State general fund \$ 18,977,700

~~1 Aging and community services -~~
~~2 25% reduction \$(1,131,400)~~
~~3 Fund sources:~~
~~4 State general fund \$(1,131,400)~~
~~5 Community and emergency~~
~~6 services \$ 5,424,900~~
~~7 Fund sources:~~
~~8 Federal temporary assistance~~
~~9 for needy families block~~
~~10 grant \$ 5,424,900~~
~~11 Coordinated hunger \$ 2,014,600~~
~~12 Fund sources:~~
~~13 State general fund \$ 1,514,600~~
~~14 Federal temporary assistance~~
~~15 for needy families block~~
~~16 grant 500,000~~
~~17 Coordinated homeless \$ 2,804,900~~
~~18 Fund sources:~~
~~19 State general fund \$ 1,155,400~~
~~20 Federal temporary assistance~~
~~21 for needy families block~~
~~22 grant 1,649,500~~
~~23 Domestic violence prevention \$ 16,647,400~~
~~24 Fund sources:~~
~~25 State general fund \$ 7,626,700~~
~~26 Federal temporary assistance~~
~~27 for needy families block~~
~~28 grant 6,620,700~~
~~29 Domestic violence shelter fund 2,400,000~~
~~30 Performance measures:~~
~~31 Adult protective services investigation~~
~~32 per cent rate 100~~
~~33 The department of economic security shall report to the joint~~
~~34 legislative budget committee on the amount of state and federal monies~~
~~35 available statewide for domestic violence funding by December 15, 2009. The~~
~~36 report shall include, at a minimum, the amount of monies available and the~~
~~37 state fiscal agent receiving those monies.~~
~~38 All domestic violence shelter fund monies above \$2,400,000 received by~~
~~39 the department of economic security are appropriated for the domestic~~
~~40 violence prevention line item. The department of economic security shall~~
~~41 report the intended use of the monies above \$2,400,000 to the joint~~
~~42 legislative budget committee.~~

1	Children, youth and families	
2	Adoption services	\$ 55,244,600
3	Fund sources:	
4	State general fund	\$ 35,942,200
5	Federal temporary assistance	
6	for needy families block	
7	grant	19,302,400
8	It is the intent of the legislature that in fiscal year 2009-2010,	
9	\$2,500,000 will be disbursed from the state fiscal stabilization fund to the	
10	department of economic security for adoption services caseload growth. These	
11	monies shall be disbursed in accordance with the provisions of the American	
12	recovery and reinvestment act of 2009 (P.L. 111-5).	
13	Adoption services - family	
14	preservation projects	\$ 700,000
15	Fund sources:	
16	Federal temporary assistance	
17	for needy families block	
18	grant	\$ 700,000
19	Attorney general legal	
20	services	\$ 12,168,800
21	Fund sources:	
22	State general fund	\$ 12,116,600
23	Federal temporary assistance	
24	for needy families block	
25	grant	52,200
26	Child abuse prevention	\$ 826,900
27	Fund sources:	
28	Child abuse prevention fund	\$ 826,900
29	Children support services	\$ 64,882,400
30	Fund sources:	
31	State general fund	\$ 34,203,300
32	Child abuse prevention fund	750,000
33	Federal temporary assistance	
34	for needy families block	
35	grant	29,929,100
36	Comprehensive medical and dental	
37	program	\$ 2,057,000
38	Fund sources:	
39	State general fund	\$ 2,057,000
40	Child protective services appeals	\$ 732,300
41	Fund sources:	
42	State general fund	\$ 732,300
43	CPS emergency placement	\$ 4,786,500

1	Fund sources:	
2	State general fund	\$ 1,780,100
3	Federal temporary assistance	
4	for needy families block	
5	grant	3,006,400
6	Family support reduction	\$(2,620,800)
7	Fund sources:	
8	State general fund	\$(2,620,800)
9	Education and training vouchers	\$ 700,000
10	Fund sources:	
11	State general fund	\$ 700,000
12	Family builders program	\$ 5,200,000
13	Fund sources:	
14	Federal temporary assistance for	
15	needy families block grant	\$ 5,200,000
16	Foster care placement	\$ 21,462,600
17	Fund sources:	
18	State general fund	\$ 15,239,500
19	Federal temporary assistance for	
20	needy families block grant	6,223,100
21	Healthy families	\$ 10,750,000
22	Fund sources:	
23	State general fund	\$ 5,715,800
24	Federal temporary assistance for	
25	needy families block grant	5,034,200
26	Homeless youth intervention	\$ 400,000
27	Fund sources:	
28	Federal temporary assistance for	
29	needy families block grant	\$ 400,000
30	Independent living maintenance	\$ 2,719,300
31	Fund sources:	
32	State general fund	\$ 2,719,300
33	Intensive family services	\$ 1,985,600
34	Fund sources:	
35	State general fund	\$ 1,985,600
36	Joint substance abuse - Arizona	
37	families in recovery succeeding	
38	together	\$ 7,224,500
39	Fund sources:	
40	State general fund	\$ 5,224,500
41	Federal temporary assistance for	
42	needy families block grant	\$ 2,000,000
43	Permanent guardianship subsidy	\$ 8,935,300

1 Fund sources:

2 State general fund	\$ 7,192,300
3 Federal temporary assistance for	
4 needy families block grant	1,743,000
5 CPS residential placement	\$ 16,310,000
6 Fund sources:	
7 State general fund	\$ 5,143,400
8 Federal temporary assistance for	
9 needy families block grant	11,166,600
10 Performance measures:	
11 Per cent of newly hired CPS specialists	
12 completing training within 7 months	
13 of hire	100
14 Per cent of children in out-of-home care	
15 who have not returned to their families	
16 or been permanently placed elsewhere	
17 for more than 24 consecutive months	19
18 Per cent of CPS reports responded to by CPS	
19 staff	100
20 Per cent of CPS original dependencies	
21 cases where court denied or dismissed	
22 the dependency	<1
23 Per cent of office of administrative	
24 hearings where CPS case findings	
25 are affirmed	90
26 Per cent of CPS complaints reviewed by	
27 the office of the ombudsman-citizens	
28 aide where allegations are reported	
29 as valid by the ombudsman	13
30 Average number of days spent in shelter	
31 placements	15
32 Number of children in shelter care more	
33 than 21 days	0
34 Number of children under 3 in shelter care	0
35 Number of children under 6 in group homes	0
36 Any transfer to or from the amounts appropriated for children support	
37 services, CPS emergency placement, CPS residential placement or foster care	
38 placement requires review by the joint legislative budget committee.	
39 Of the amounts appropriated for children support services, CPS	
40 emergency placement, CPS residential placement and foster care placement,	
41 \$22,613,100 is appropriated from the federal temporary assistance for needy	
42 families block grant to the social services block grant for deposit in the	
43 following line items in the following amounts:	

1	Children support services	5,371,700
2	CPS emergency placement	2,333,700
3	CPS residential placement	9,833,300
4	Foster care placement	5,074,400
5	The department of economic security shall provide training to any new	
6	child protective services FTE positions before assigning to any of these	
7	employees any client caseload duties.	
8	It is the intent of the legislature that the department of economic	
9	security use the funding in the division of children, youth and families to	
10	achieve a one hundred per cent investigation rate.	
11	It is the intent of the legislature that in fiscal year 2009-2010,	
12	\$5,500,000 will be disbursed from the state fiscal stabilization fund to the	
13	department of economic security for child protective services. These monies	
14	shall be disbursed in accordance with the provisions of the American recovery	
15	and reinvestment act of 2009 (P.L. 111-5).	
16	It is the intent of the legislature that in fiscal year 2009-2010,	
17	\$18,000,000 will be disbursed from the state fiscal stabilization fund to the	
18	department of economic security for children services. These monies shall be	
19	disbursed in accordance with the provisions of the American recovery and	
20	reinvestment act of 2009 (P.L. 111-5).	
21	<u>Employment and rehabilitation services</u>	
22	JOBS	\$ 18,808,600
23	Fund sources:	
24	State general fund	\$ 1,715,200
25	Federal temporary assistance for	
26	needy families block grant	13,866,000
27	Workforce investment act grant	2,000,000
28	Special administration fund	1,227,400
29	Day care subsidy	\$163,664,000
30	Fund sources:	
31	State general fund	\$ 66,095,100
32	Federal child care and	
33	development fund block grant	82,485,800
34	Federal temporary assistance for	
35	needy families block grant	15,083,100
36	Transitional child care	\$ 36,193,000
37	Fund sources:	
38	Federal child care and	
39	development fund block	
40	grant	\$ 36,193,000
41	Vocational rehabilitation	
42	services	\$ 4,719,100

1 Fund sources:

2	State general fund	\$ 4,514,400
3	Spinal and head injuries	
4	trust fund	204,700
5	Assistive technology	\$ 200,000
6	Fund sources:	
7	State general fund	\$ 200,000
8	Independent living rehabilitation	
9	services	\$ 2,491,900
10	Fund sources:	
11	State general fund	\$ 784,200
12	Spinal and head injuries trust	
13	fund	1,707,700
14	Workforce investment act - local	
15	governments	\$ 48,040,600
16	Fund sources:	
17	Workforce investment act grant	\$ 48,040,600
18	Workforce investment act -	
19	discretionary	\$ 3,614,000
20	Fund sources:	
21	Workforce investment act grant	\$ 3,614,000
22	Performance measures:	
23	Number of TANF recipients who obtained	
24	employment	18,000
25	Per cent of customer satisfaction with	
26	child care	95.0
27	Vocational rehabilitation individuals	
28	successfully rehabilitated	2,000
29	Of the \$163,664,000 appropriated for day care subsidy, \$115,199,900 is	
30	for a program in which the upper income limit is no more than one hundred	
31	sixty-five per cent of the federal poverty level.	
32	The amounts appropriated for day care subsidy and transitional child	
33	care shall be used exclusively for child care costs unless a transfer of	
34	monies is reviewed by the joint legislative budget committee. Monies shall	
35	not be used from these appropriated amounts for any other expenses of the	
36	department of economic security unless a transfer of monies is reviewed by	
37	the joint legislative budget committee.	
38	Monies in the child care subsidy and transitional child care line items	
39	shall be used to provide services only to residents of the state of Arizona	
40	who are citizens or legal residents of the United States or who are otherwise	
41	lawfully present in the United States.	
42	The department of economic security shall use the \$200,000 appropriated	
43	for assistive technology to contract with a third party to create a statewide	
44	clearinghouse for assistive technology to be distributed to Arizona school	
45	districts.	

~~1 All federal workforce investment act discretionary monies that are~~
2 received by this state in excess of \$3,614,000 are appropriated to the
3 workforce investment act-discretionary line item. Excess monies may not be
4 spent until a proposed expenditure plan for the excess monies has been
5 reviewed by the joint legislative budget committee.

6 All federal workforce investment act monies for local governments that
7 are received by this state in excess of \$48,040,600 are appropriated to the
8 workforce investment act-local governments line item. Excess monies may not
9 be spent until a proposed expenditure plan for the excess monies has been
10 reviewed by the joint legislative budget committee.

11 Performance measures:

12 Agencywide customer satisfaction rating

13 (Scale 1-5)

3.8

14 The above appropriations are in addition to funds granted to the state
15 by the federal government for the same purposes but shall be deemed to
16 include the sums deposited in the state treasury to the credit of the
17 department of economic security pursuant to section 42-5029, Arizona Revised
18 Statutes.

19 A monthly report comparing total expenditures for the month and
20 year-to-date as compared to prior year totals shall be forwarded to the
21 president of the senate, the speaker of the house of representatives, the
22 chairpersons of the senate and house of representatives appropriations
23 committees and the director of the joint legislative budget committee by the
24 thirtieth of the following month. The report shall include an estimate of
25 (1) potential shortfalls in entitlement programs, (2) potential federal and
26 other funds, such as the statewide assessment for indirect costs, and any
27 projected surplus in state supported programs that may be available to offset
28 these shortfalls and a plan, if necessary, for eliminating any shortfall
29 without a supplemental appropriation, (3) shortfalls resulting from new
30 leases or renegotiations of current leases and associated costs and (4) total
31 expenditure authority of the child support enforcement program for the month
32 and year-to-date as compared to prior year totals.

33 The department of economic security shall not operate more welfare
34 offices than it operated in fiscal year 2005-2006.

35 It is the intent of the legislature that the department of economic
36 security make the reductions associated with the agencywide lump sum
37 reduction against administrative functions and, to the extent possible, not
38 against programmatic functions.

~~39 Sec. 5. STATE BOARD OF EDUCATION AND SUPERINTENDENT OF PUBLIC INSTRUCTION~~

40 In addition to monies appropriated pursuant to Laws 2009, chapter 11,
41 section 32, as amended by Laws 2009, chapter 12, section 17, subject to
42 applicable laws, the following sums or sources of revenue are appropriated
43 for the fiscal years indicated and only from the funding sources listed for
44 the purposes and objects specified:

1			2009-10
2	<u>Formula programs</u>		
3	FTE positions		29.0
4	Operating lump sum appropriation	\$	2,096,800
5	Basic state aid		\$2,868,599,400
6	Fund sources:		
7	State general fund		\$2,822,123,900
8	Permanent state school fund		46,475,500
9	The above appropriation provides basic state support to school		
10	districts for maintenance and operations funding as provided by section		
11	15-973, Arizona Revised Statutes, and includes an estimated \$46,475,500 in		
12	expendable income derived from the permanent state school fund and from state		
13	trust lands pursuant to section 37-521, subsection B, Arizona Revised		
14	Statutes, for fiscal year 2009-2010.		
15	Receipts derived from the permanent state school fund and any other		
16	nonstate general fund revenue source that is dedicated to fund basic state		
17	aid will be expended, whenever possible, before expenditure of state general		
18	fund monies.		
19	Except as required by section 37-521, Arizona Revised Statutes, all		
20	monies received during the fiscal year from national forests, interest		
21	collected on deferred payments on the purchase of state lands, the income		
22	from the investment of permanent funds as prescribed by the enabling act and		
23	the Constitution of Arizona and all monies received by the superintendent of		
24	public instruction from whatever source, except monies received pursuant to		
25	sections 15-237 and 15-531, Arizona Revised Statutes, when paid into the		
26	state treasury are appropriated for apportionment to the various counties in		
27	accordance with law. An expenditure shall not be made except as specifically		
28	authorized above.		
29	Additional state aid	\$	366,586,000
30	Other state aid to districts		983,900
31	Total		\$3,238,266,100
32	Fund sources:		
33	State general fund		\$3,191,790,600
34	Permanent state school fund		46,475,500
35	Sec. 6. DEPARTMENT OF ENVIRONMENTAL QUALITY		
36			2009-10
37	<u>Administration</u>		
38	FTE positions		144.6
39	Lump sum appropriation	\$	14,034,200
40	Fund sources:		
41	State general fund	\$	2,861,500
42	Indirect cost recovery fund		11,172,700
43	<u>Air programs</u>		
44	FTE positions		124.9
45	Air quality management and analysis		10,472,400

1	Emissions control contractor	
2	payment	27,639,600
3	Emissions control program -	
4	administration	4,131,500
5	Transfers to counties program	145,700
6	Maricopa, Pima and Pinal counties	
7	travel reduction plan	<u>1,638,100</u>
8	Total - air programs	\$ 44,027,300
9	Fund sources:	
10	State general fund	\$ 348,500
11	Air quality fund	4,617,200
12	Air permits administration fund	5,652,400
13	Emissions inspection fund	33,409,200
14	<u>Waste programs</u>	
15	FTE positions	48.4
16	Waste control and management	3,701,400
17	Underground storage tank program	22,000
18	Waste tire program	<u>44,300</u>
19	Total - waste programs	\$ 3,767,700
20	Fund sources:	
21	State general fund	\$ 1,050,400
22	Air quality fund	519,600
23	Hazardous waste management fund	795,000
24	Solid waste fee fund	1,242,900
25	Underground storage tank	
26	revolving fund	22,000
27	Used oil fund	137,800
28	<u>Water programs</u>	
29	FTE positions	155.5
30	Arizona pollutant discharge	
31	elimination system	1,524,700
32	Drinking water regulation program	2,446,700
33	Surface water regulation program	1,137,100
34	Underground water regulation	
35	program	<u>6,617,500</u>
36	Total - water programs	\$ 11,726,000
37	Fund sources:	
38	State general fund	\$ 1,965,900
39	Water quality fee fund	5,605,200
40	Clean water revolving fund	4,154,900
41	<u>WIFA</u>	
42	Drinking water revolving loan	
43	program	<u>845,100</u>
44	Total - WIFA	\$ 845,100

1 Fund sources:

2 Clean water revolving fund \$ 845,100

3 Total appropriation - department of

4 environmental quality \$ 74,400,300

5 Fund sources:

6 State general fund \$ 6,226,300

7 Air permits administration fund 5,652,400

8 Air quality fund 5,136,800

9 Clean water revolving fund 5,000,000

10 Emissions inspection fund 33,409,200

11 Hazardous waste management fund 795,000

12 Indirect cost recovery fund 11,172,700

13 Solid waste fee fund 1,242,900

14 Underground storage tank

15 revolving fund 22,000

16 Used oil fund 137,800

17 Water quality fee fund 5,605,200

18 Performance measures:

19 Per cent of contaminated sites closed

20 requiring no further action (cumulative)

21 versus known sites 84.5

22 Number of nonattainment areas exceeding

23 national ambient air quality standards 5

24 Per cent of statutorily set permit timelines

25 met through licensing time frames rule 100

26 Number of days per year exceeding national

27 ambient air quality standards for ozone,

28 carbon monoxide or particulates 0

29 Per cent of facilities from drinking water

30 priority log assigned to enforcement staff 100

31 Customer satisfaction rating for citizens

32 (Scale 1-8) 7.7

33 Of the monies appropriated to the Maricopa, Pima and Pinal counties

34 travel reduction plan line item in fiscal year 2009-2010, \$926,600 shall be

35 allocated to Maricopa county, \$364,400 shall be allocated to the Pima

36 association of governments, \$85,000 shall be allocated to Pinal county and

37 \$262,100 shall be allocated to Pima county.

38 When expenditures from the hazardous waste or environmental health

39 reserves are authorized, the director of the department of environmental

40 quality shall report the nature of the emergency and the authorized

41 expenditure amount to the president of the senate, the speaker of the house

42 of representatives, the chairpersons of the senate and house of

43 representatives appropriations committees and the director of the joint

44 legislative budget committee.

1 Any transfer from the amount appropriated for the Arizona pollutant
2 discharge elimination system line item shall require prior joint legislative
3 budget committee review.

4 Pursuant to section 49-282, Arizona Revised Statutes, the department of
5 environmental quality shall submit a fiscal year 2010-2011 budget for the
6 water quality assurance revolving fund before September 1, 2009, for review
7 by the senate and house of representatives appropriations committees.

8 The department of environmental quality shall report annually on the
9 progress of WQARF activities, including emergency response, priority site
10 remediation, cost recovery activity, revenue and expenditure activity and
11 other WQARF-funded program activity. This report shall also include a budget
12 for the WQARF program that is developed in consultation with the WQARF
13 advisory board. The fiscal year 2009-2010 report shall be submitted to the
14 joint legislative budget committee by September 1, 2009. This budget shall
15 specify the monies budgeted for each listed site during fiscal year
16 2009-2010. In addition, the department and the advisory board shall prepare
17 and submit to the joint legislative budget committee, by October 2, 2009, a
18 report in a table format summarizing the current progress on remediation of
19 each listed site on the WQARF registry. The table shall include the stage of
20 remediation for each site at the end of fiscal year 2008-2009, whether the
21 current stage of remediation is anticipated to be completed in fiscal year
22 2009-2010 and the anticipated stage of remediation at each listed site at the
23 end of fiscal year 2009-2010, assuming fiscal year 2009-2010 funding levels.
24 The department and advisory board may include other relevant information
25 about the listed sites in the table.

26 The monies appropriated in the transfers to counties program line item
27 are for use by Arizona counties to avoid being declared in nonattainment of
28 particulate matter standards by establishing public notification and outreach
29 programs, minimizing exposure to particulate matter concentrations, and
30 abating and minimizing controllable sources of particulate matter through
31 best available control measures. Of the monies in the transfers to counties
32 program line item in fiscal year 2009-2010, \$50,000 shall be used by Pima
33 county for carbon monoxide monitoring as required by the Pima county limited
34 maintenance plan with the United States environmental protection agency.

35 All air permits administration revenues received by the department of
36 environmental quality in excess of \$5,652,400 in fiscal year 2009-2010 are
37 appropriated to the department. Before the expenditure of air permits
38 administration receipts in excess of \$5,652,400 in fiscal year 2009-2010, the
39 department of environmental quality shall submit the intended use of the
40 monies for review by the joint legislative budget committee.

41 The department of environmental quality shall submit a written report
42 detailing the maximum, minimum and average water quality permit processing
43 times for fiscal year 2008-2009 by December 1, 2009, for review by the joint
44 legislative budget committee. The fiscal year 2008-2009 data shall contain
45 the year-to-date actual data and projected totals for each year. This report

shall also include total number of staff hours devoted to water quality permit processing in fiscal year 2008-2009, the total costs to process these permits and the progress made in reducing water quality permit processing times.

All indirect cost fund recovery revenues received by the department of environmental quality in excess of \$11,172,700 in fiscal year 2009-2010 are appropriated to the department. Before the expenditure of indirect cost recovery fund receipts in excess of \$11,172,700 in fiscal year 2009-2010, the department of environmental quality shall submit the intended use of the monies for review by the joint legislative budget committee.

Sec. 7. DEPARTMENT OF HEALTH SERVICES

2009-10

Agencywide operating

FTE positions	1,657.4
Operating lump sum appropriation	\$ 48,141,000
Fund sources:	
State general fund	\$ 28,532,500
Arizona state hospital fund	7,879,300
Arizona state hospital land earnings fund	1,150,000
Capital outlay stabilization fund	1,578,000
Emergency medical services operating fund	898,400
Expenditure authority	7,244,900
Indirect cost fund	857,900

Administration

Assurance and licensure	\$ 6,788,000
Fund sources:	
State general fund	\$ 4,651,300
Federal child care and development fund block grant	829,200
Hearing and speech professionals fund	319,300
Nursing care institution resident protection revolving fund	38,000
Expenditure authority	950,200
Attorney general legal services	\$ 437,800
Fund sources:	
State general fund	\$ 394,900
Emergency medical services operating fund	42,900
Newborn screening program fund - indirect costs	\$ 478,600
Fund sources:	
Newborn screening program fund	\$ 478,600

1	Indirect cost fund	\$ 6,927,900
2	Fund sources:	
3	Indirect cost fund	\$ 6,927,900
4	Performance measures:	
5	Per cent of relicensure surveys completed	
6	on time:	
7	Child care facilities	97
8	Health care facilities	77
9	Per cent of complaint investigations initiated	
10	later than investigative guidelines:	
11	Child care facilities	0
12	Health care facilities	30
13	<u>Public health</u>	
14	AIDS reporting and surveillance	\$ 1,125,000
15	Fund sources:	
16	State general fund	\$ 1,125,000
17	Alzheimer's disease research	\$ 2,250,000
18	Fund sources:	
19	State general fund	\$ 2,250,000
20	Arizona statewide immunization	
21	information system	\$ 477,600
22	Fund sources:	
23	State general fund	\$ 477,600
24	Community health centers	\$ 1,881,400
25	Fund sources:	
26	State general fund	\$ 981,400
27	Tobacco tax and health care	
28	fund - medically needy	
29	account	900,000
30	County tuberculosis provider	
31	care and control	\$ 1,210,500
32	Fund sources:	
33	State general fund	\$ 1,210,500
34	Diabetes prevention and control	\$ 100,000
35	Fund sources:	
36	State general fund	\$ 100,000
37	Direct grants	\$ 460,300
38	Fund sources:	
39	State general fund	\$ 460,300
40	EMS operations	\$ 2,775,700
41	Fund sources:	
42	Emergency medical services	
43	operating fund	\$ 2,775,700
44	Hepatitis C surveillance	\$ 309,400

1	Fund sources:	
2	State general fund	\$ 309,400
3	Laboratory services	\$ 5,017,900
4	Fund sources:	
5	State general fund	\$ 4,088,600
6	Environmental laboratory	
7	licensure revolving fund	929,300
8	Loan repayment	\$ 657,900
9	Fund sources:	
10	State general fund	\$ 100,000
11	Emergency medical services	
12	operating fund	557,900
13	Poison control centers funding	\$ 1,950,000
14	Fund sources:	
15	State general fund	\$ 1,950,000
16	Reimbursement to counties	\$ 67,900
17	Fund sources:	
18	State general fund	\$ 67,900
19	Renal and nonrenal disease	
20	management	\$ 198,000
21	Fund sources:	
22	State general fund	\$ 198,000
23	Scorpion antivenom	\$ 150,000
24	Fund sources:	
25	State general fund	\$ 150,000
26	Telemedicine	\$ 260,000
27	Fund sources:	
28	State general fund	\$ 260,000
29	Teratogen program	\$ 60,000
30	Fund sources:	
31	State general fund	\$ 60,000
32	Trauma advisory board	\$ 348,000
33	Fund sources:	
34	Emergency medical services	
35	operating fund	\$ 348,000
36	Vaccines	\$ 6,132,900
37	Fund sources:	
38	State general fund	\$ 6,132,900
39	Vital records maintenance	\$ 433,700
40	Fund sources:	
41	Vital records electronic	
42	systems fund	\$ 433,700
43	Public health appropriation	\$ 1,000,000

1 Fund sources:
2 Tobacco tax and health care
3 fund - health research account \$ 1,000,000
4 Public health reduction \$(1,000,000)
5 Fund sources:
6 State general fund \$(1,000,000)
7 Performance measures:
8 Immunization rate among two-year-old
9 children 84
10 Per cent of high school youth who smoked
11 in the last month 18
12 Customer waiting time in vital records
13 lobby (in minutes) 15
14 Of the \$1,881,400 appropriated for community health centers, at least
15 \$564,000 shall be distributed to Yavapai county for county primary care
16 programs.
17 The department of health services may use up to four per cent of the
18 amounts appropriated for renal and nonrenal disease management, community
19 health centers and telemedicine for the administrative costs to implement
20 each program.
21 Monies appropriated for AIDS reporting and surveillance and renal and
22 nonrenal disease management shall be used to provide services only to
23 residents of the state of Arizona who are citizens or legal residents of the
24 United States or who are otherwise lawfully present in the United States.
25 The appropriation for direct grants is to provide for local health work
26 and a portion of the cost of employing one public health nurse and one
27 sanitarian in counties with populations of less than five hundred thousand
28 persons. The monies are to be divided equally among eligible counties on a
29 nonmatching basis. All monies that are received by a county under this
30 appropriation and that are not used for the prescribed purposes revert to the
31 state general fund.
32 The \$67,900 appropriated for reimbursement to counties is to provide
33 matching monies to counties with populations of less than five hundred
34 thousand persons for local health work on an equal matching basis and shall
35 be distributed based on the proportion of funding each county received in
36 fiscal year 2002-2003.
37 It is the intent of the legislature that in fiscal year 2009-2010,
38 \$11,600,000 will be disbursed from the state fiscal stabilization fund to the
39 department of health services for community health centers. These monies
40 shall be disbursed in accordance with the provisions of the American recovery
41 and reinvestment act of 2009 (P.L. 111-5).
42 The department of health services shall require the screening of
43 potential recipients of vaccines for private insurance coverage, eligibility
44 for the federal vaccines for children program and eligibility for the state
45 children's health insurance program. This requirement applies to vaccines

1 purchased with state monies appropriated for the vaccines line item for both
2 the federal 317 program and the state-only immunization program.

3 The department of health services shall distribute the entire
4 appropriation for Alzheimer's disease research to grant recipients by
5 September 30, 2009.

6 Family health

7 Adult cystic fibrosis \$ 105,200

8 Fund sources:

9 State general fund \$ 105,200

10 Adult sickle cell anemia \$ 33,000

11 Fund sources:

12 State general fund \$ 33,000

13 AHCCCS - children's rehabilitative
14 services \$ 74,677,100

15 Fund sources:

16 State general fund \$ 25,576,900

17 Expenditure authority 49,100,200

18 Breast and cervical cancer
19 and bone density screening \$ 1,015,800

20 Fund sources:

21 State general fund \$ 1,015,800

22 Child fatality review team \$ 225,400

23 Fund sources:

24 Child fatality review fund \$ 99,100

25 Emergency medical services
26 operating fund 126,300

27 Children's rehabilitative
28 services \$ 3,587,000

29 Fund sources:

30 State general fund \$ 3,587,000

31 County prenatal services grant \$ 1,033,600

32 Fund sources:

33 State general fund \$ 1,033,600

34 Folic acid \$ 400,000

35 Fund sources:

36 Tobacco tax and health care fund -
37 medically needy account \$ 400,000

38 High risk perinatal services \$ 5,166,900

39 Fund sources:

40 State general fund \$ 4,780,600

41 Emergency medical services
42 operating fund 386,300

43 Medicaid special exemption
44 payments \$ 1,659,500

1 Fund sources:

2 State general fund \$ 568,400

3 Expenditure authority 1,091,100

4 Newborn screening program \$ 6,326,700

5 Fund sources:

6 Newborn screening program fund \$ 6,326,700

7 Senior food programs \$ 500,000

8 Fund sources:

9 State general fund \$ 500,000

10 Performance measures:

11 Number of newborns screened under newborn

12 screening program 101,810

13 The amounts appropriated for children's rehabilitative services and for

14 AHCCCS - children's rehabilitative services are intended to cover all costs

15 in full for contracts for the provision of services to clients, unless a

16 transfer of monies is reviewed by the joint legislative budget committee.

17 The department of health services may transfer up to \$350,000 in

18 revenues from the indirect cost fund to the Arizona health care cost

19 containment system administration for the purpose of meeting indirect cost

20 state match requirements related to AHCCCS - children's rehabilitative

21 services program.

22 Of the \$5,230,600 appropriated for high risk perinatal services

23 \$583,000 shall be distributed to counties.

24 Behavioral health

25 Arnold v. Sarn \$ 37,100,600

26 Fund sources:

27 State general fund \$ 27,500,000

28 Expenditure authority 9,600,600

29 Children's behavioral health

30 services \$ 8,851,800

31 Fund sources:

32 State general fund \$ 8,851,800

33 Children's behavioral health

34 state match for title XIX \$407,201,800

35 Fund sources:

36 State general fund \$139,446,300

37 Expenditure authority 267,755,500

38 Court monitoring \$ 197,500

39 Fund sources:

40 State general fund \$ 197,500

41 Dual eligible part D copay subsidy \$ 802,600

42 Fund sources:

43 State general fund \$ 802,600

44 Medicaid special exemption

45 payments \$ 23,096,500

1	Fund sources:	
2	State general fund	\$ 7,909,400
3	Expenditure authority	15,187,100
4	Medicare clawback payments	\$ 11,932,800
5	Fund sources:	
6	State general fund	\$ 11,932,800
7	Mental health and substance abuse	
8	state match for title XIX	\$121,065,400
9	Fund sources:	
10	State general fund	\$ 37,858,800
11	Tobacco tax and health care	
12	fund - medically needy account	3,600,000
13	Expenditure authority	79,606,600
14	Mental health nontitle XIX	\$ 2,447,300
15	Fund sources:	
16	State general fund	\$ 1,947,300
17	Tobacco tax and health care fund	
18	medically needy account	500,000
19	Proposition 204 - administration	\$ 6,534,800
20	Fund sources:	
21	State general fund	\$ 2,130,200
22	Expenditure authority	4,404,600
23	Proposition 204 - children's	
24	behavioral health services	\$ 5,097,600
25	Fund sources:	
26	State general fund	\$ 1,745,700
27	Expenditure authority	3,351,900
28	Proposition 204 - general mental	
29	health and substance abuse	\$121,138,500
30	Fund sources:	
31	State general fund	\$ 41,483,900
32	Expenditure authority	79,654,600
33	Proposition 204 - seriously	
34	mentally ill services	\$233,660,900
35	Fund sources:	
36	State general fund	\$ 80,017,200
37	Expenditure authority	153,643,700
38	Seriously mentally ill nontitle	
39	XIX	\$ 61,116,700
40	Fund sources:	
41	State general fund	\$ 30,191,900
42	Tobacco tax and health care	
43	fund medically needy account	30,924,800
44	Seriously mentally ill state	
45	match for title XIX	\$231,174,000

1 Fund sources:
2 State general fund \$ 79,165,500
3 Expenditure authority 152,008,500
4 Substance abuse nontitle XIX \$ 13,385,400
5 Fund sources:
6 State general fund \$ 11,135,400
7 Substance abuse services fund 2,250,000
8 Contract compliance \$ 5,523,500
9 Fund sources:
10 State general fund \$ 1,856,100
11 Expenditure authority 3,667,400
12 Performance measures:
13 Per cent of RBHA title XIX clients
14 satisfied with services 90
15 Per cent of title XIX population that is
16 enrolled in a behavioral health service 12
17 The amount appropriated for children's behavioral health services shall
18 be used to provide services for nontitle XIX eligible children. The amount
19 shall not be used to pay for either federally or nonfederally reimbursed
20 services for title XIX eligible children, unless a transfer of monies is
21 reviewed by the joint legislative budget committee.
22 It is the intent of the legislature that the total amount available in
23 the Arnold v. Sarn line item be used for the population covered by the Arnold
24 v. Sarn lawsuit in counties with a population of two million or more persons
25 and for seriously mentally ill persons that meet the same criteria as those
26 covered by the Arnold v. Sarn lawsuit in counties with populations of less
27 than two million persons.
28 It is the intent of the legislature that the per cent attributable to
29 administration/profit for the regional behavioral health authority in
30 Maricopa county is nine per cent of the overall capitation rate.
31 The department of health services shall report to the joint legislative
32 budget committee thirty days after the end of each calendar quarter on the
33 progress the department is making toward settling the Arnold v. Sarn lawsuit.
34 The report shall include at a minimum the department's progress towards
35 meeting the exit criteria and whether the department is in compliance with
36 the exit criteria schedule.
37 Arizona state hospital
38 Arizona state hospital forensic
39 unit debt service \$ 3,111,700
40 Fund sources:
41 State general fund \$ 3,111,700
42 Community placement treatment \$ 6,704,800
43 Fund sources:
44 State general fund \$ 5,574,100
45 Arizona state hospital fund 1,130,700

1 Sexually violent persons \$ 10,630,200
2 Fund sources:
3 State general fund \$ 8,480,700
4 Arizona state hospital fund 2,149,500
5 Electronic medical records \$ 300,000
6 Fund sources:
7 State general fund \$ 300,000
8 Performance measures:

9 Per cent of adult clients successfully
10 placed in community who return for
11 another stay within one year of discharge 6.0

12 The department shall report to the joint legislative budget committee
13 by March 1 of each year on preliminary actuarial estimates of the capitation
14 rate changes for the following fiscal year along with the reasons for the
15 estimated changes. For any actuarial estimates that include a range, the
16 total range from minimum to maximum shall be no more than two per cent.
17 Before implementation of any changes in capitation rates for the
18 AHCCCS - children's rehabilitative services line item and any title XIX
19 behavioral health line items, the department of health services shall report
20 its expenditure plan for review by the joint legislative budget committee.
21 Before the department implements any changes in policy affecting the amount,
22 sufficiency, duration and scope of health care services and who may provide
23 services, the department shall prepare a fiscal impact analysis on the
24 potential effects of this change on the following year's capitation rates.
25 If the fiscal analysis demonstrates that these changes will result in
26 additional state costs of \$500,000 or greater for a given fiscal year, the
27 department shall submit the policy changes for review by the joint
28 legislative budget committee.

29 In addition to the appropriation for the department of health services,
30 earnings on state lands and interest on the investment of the permanent land
31 funds are appropriated to the state hospital in compliance with the enabling
32 act and the Constitution of Arizona.

33 A monthly report comparing total expenditures for the month and
34 year-to-date as compared to prior year totals shall be forwarded to the
35 president of the senate, the speaker of the house of representatives, the
36 chairpersons of the senate and house of representatives appropriations
37 committees and the director of the joint legislative budget committee by the
38 thirtieth of the following month. The report shall include an estimate of
39 (1) potential shortfalls in programs, (2) potential federal and other funds,
40 such as the statewide assessment for indirect costs, that may be available to
41 offset these shortfalls, and a plan, if necessary, for eliminating any
42 shortfall without a supplemental appropriation and (3) total expenditure
43 authority of the month and year-to-date for seriously mentally ill state
44 match for title XIX, seriously mentally ill nontitle XIX, children's
45 behavioral health services, children's behavioral health state match for

1 title XIX, mental health nontitle XIX, substance abuse nontitle XIX,
 2 seriously emotionally handicapped children and children's rehabilitative
 3 services.

4 Any transfer to or from the amounts appropriated for seriously mentally
 5 ill state match for title XIX, seriously mentally ill nontitle XIX,
 6 Arnold v. Sarn, vital records maintenance, folic acid, children's behavioral
 7 health services, children's behavioral health state match for title XIX,
 8 mental health nontitle XIX, substance abuse nontitle XIX, mental health and
 9 substance abuse state match for title XIX, children's rehabilitative
 10 services, AHCCCS - children's rehabilitative services, adult cystic fibrosis,
 11 adult sickle cell anemia, high risk perinatal services, county prenatal
 12 services grant, community placement treatment, dual eligible copay subsidy,
 13 sexually violent persons, county tuberculosis provider care and control,
 14 community health centers, vaccines, renal and nonrenal disease management,
 15 AIDS reporting and surveillance, telemedicine, poison control centers funding
 16 shall require review by the joint legislative budget committee. The
 17 department may transfer monies between the amounts appropriated for
 18 proposition 204 children's behavioral health services, proposition 204
 19 seriously mentally ill services and proposition 204 general mental health and
 20 substance abuse without review by the joint legislative budget committee but
 21 may not transfer monies to and from these line items to any other line item
 22 except as provided above without review by the joint legislative budget
 23 committee. The amounts appropriated for these items shall be used
 24 exclusively for contracts for the provision of services to clients unless a
 25 transfer of monies is reviewed by the joint legislative budget committee or
 26 unless otherwise permitted to be expended for administrative costs as
 27 specified in this act. Monies shall not be used from these appropriated
 28 amounts for any other expenses of the department of health services, unless a
 29 transfer of monies is reviewed by the joint legislative budget committee.

30 It is the intent of the legislature that the department of health
 31 services make the reductions associated with the agencywide lump sum
 32 reduction against administrative functions and, to the extent possible, not
 33 against programmatic functions.

34 The lump sum reduction may not be taken against the appropriation made
 35 for Alzheimer's disease research.

36 Sec. 8. ARIZONA STATE UNIVERSITY - MAIN CAMPUS

37		<u>2009-10</u>
38	FTE positions	6,366.0
39	Operating lump sum appropriation	\$ 510,173,000
40	Biomedical informatics	2,996,600
41	Arizona board of regents tuition	
42	increase	21,986,900
43	Downtown Phoenix campus	<u>70,387,500</u>
44	Total appropriation - Arizona state	
45	university - Main campus	\$ 605,544,000

1 Fund sources:

2 State general fund \$ 315,679,200

3 University collections fund 289,864,800

4 Performance measures:

5 Per cent of graduating seniors who rate

6 their overall university experience

7 as "good"/"excellent" 96

8 Per cent of full-time undergraduate

9 students enrolled per semester in three or

10 more primary courses with ranked faculty 71

11 Per cent of full-time undergraduate students

12 enrolled per semester in three or more

13 primary courses with professors of any rank 35

14 Average number of years taken to graduate

15 for students who began as freshmen 4.6

16 The appropriated monies shall not be used for the centennial scholars

17 program.

18 The state general fund appropriations shall not be used for alumni

19 association funding.

20 The appropriated monies shall not be used for scholarships.

21 The appropriated monies shall not be used to support any student

22 newspaper.

23 Any unencumbered balances remaining in the collections account on June

24 30, 2009 and all collections received by the university during the fiscal

25 year, when paid into the state treasury, are appropriated for operating

26 expenditures, capital outlay and fixed charges. Earnings on state lands and

27 interest on the investment of the permanent land funds are appropriated in

28 compliance with the enabling act and the Constitution of Arizona. No part of

29 this appropriation may be expended for supplemental life insurance or

30 supplemental retirement. Receipts from summer session, when deposited in the

31 state treasury, together with any unencumbered balance in the summer session

32 account, are appropriated for the purpose of conducting summer sessions but

33 are excluded from the amounts enumerated above.

34 The appropriated monies shall not be used by the Arizona state

35 university college of law legal clinic for any lawsuits involving inmates of

36 the state department of corrections in which the state is the adverse party.

37 Sec. 9. ARIZONA STATE UNIVERSITY - EAST CAMPUS

38 2009-10

39 FTE positions 522.0

40 Operating lump sum appropriation \$ 56,326,100

41 TRIF lease-purchase payment 2,000,000

42 Arizona board of regents tuition

43 increase 2,287,400

44 Total appropriation - Arizona state

45 university - East campus \$ 60,613,500

1	Fund sources:	
2	State general fund	\$ 24,404,400
3	University collections fund	34,209,100
4	Technology and research	
5	initiative fund	2,000,000
6	Performance measures:	
7	Per cent of graduating seniors who rate	
8	their overall university experience	
9	as "good"/"excellent"	97
10	Per cent of full-time undergraduate students	
11	enrolled per semester in three or more	
12	primary courses with ranked faculty	68
13	Per cent of full-time undergraduate students	
14	enrolled per semester in three or more	
15	primary courses with professors of any rank	27
16	Average number of years taken to graduate	
17	for students who began as freshmen	5.0
18	The appropriated monies shall not be used for the centennial scholars	
19	program.	
20	The state general fund appropriations shall not be used for alumni	
21	association funding.	
22	The appropriated monies shall not be used for scholarships.	
23	The appropriated monies shall not be used to support any student	
24	newspaper.	
25	Any unencumbered balances remaining in the collections account on June	
26	30, 2009 and all collections received by the university during the fiscal	
27	year, when paid into the state treasury, are appropriated for operating	
28	expenditures, capital outlay and fixed charges. Earnings on state lands and	
29	interest on the investment of the permanent land funds are appropriated in	
30	compliance with the enabling act and the Constitution of Arizona. No part of	
31	this appropriation may be expended for supplemental life insurance or	
32	supplemental retirement. Receipts from summer session, when deposited in the	
33	state treasury, together with any unencumbered balance in the summer session	
34	account, are appropriated for the purpose of conducting summer sessions but	
35	are excluded from the amounts enumerated above.	
36	Sec. 10. ARIZONA STATE UNIVERSITY - WEST CAMPUS	
37		<u>2009-10</u>
38	FTE positions	781.0
39	Operating lump sum appropriation	\$ 75,474,900
40	TRIF lease-purchase payment	1,600,000
41	Arizona board of regents tuition	
42	increase	<u>2,325,700</u>
43	Total appropriation - Arizona state	
44	university - West campus	\$ 79,400,600

1 Fund sources:

2	State general fund	44,248,800
3	University collections fund	33,551,800
4	Technology and research initiative	
5	fund	1,600,000

6 Performance measures:

7	Per cent of graduating seniors who rate	
8	their overall university experience	
9	as "good"/"excellent"	98
10	Per cent of full-time undergraduate students	
11	enrolled per semester in three or more	
12	primary courses with ranked faculty	60
13	Per cent of full-time undergraduate students	
14	enrolled per semester in three or more	
15	primary courses with professors of any rank	21
16	Average number of years taken to graduate for	
17	students who began as freshmen	4.5

18 The state general fund appropriations shall not be used for alumni
19 association funding.

20 The appropriated monies shall not be used for scholarships.

21 The appropriated monies shall not be used to support any student
22 newspaper.

23 Any unencumbered balances remaining in the collections account on June
24 30, 2009 and all collections received by the university during the fiscal
25 year, when paid into the state treasury, are appropriated for operating
26 expenditures, capital outlay and fixed charges. Earnings on state lands and
27 interest on the investment of the permanent land funds are appropriated in
28 compliance with the enabling act and the Constitution of Arizona. No part of
29 this appropriation may be expended for supplemental life insurance or
30 supplemental retirement. Receipts from summer session, when deposited in the
31 state treasury, together with any unencumbered balance in the summer session
32 account, are appropriated for the purpose of conducting summer sessions but
33 are excluded from the amounts enumerated above.

34 The appropriated monies shall not be used for the centennial scholars
35 program.

36 Sec. 11. NORTHERN ARIZONA UNIVERSITY

	<u>2009-10</u>
38 FTE positions	2,014.9
39 Operating lump sum appropriation	\$ 182,010,700
40 NAU - Yuma	2,993,500
41 Teacher training	2,000,000
42 Arizona board of regents tuition	
43 increase	<u>3,600,000</u>
44 Total appropriation - Northern Arizona	
45 university	\$ 190,604,200

1 Fund sources:

2 State general fund \$ 128,276,400

3 University collections fund 62,327,800

4 Performance measures:

5 Per cent of graduating seniors who rate

6 their overall university experience

7 as "good"/"excellent" 96

8 Per cent of full-time undergraduate

9 students enrolled per semester in

10 three or more primary courses with

11 ranked faculty 82

12 Per cent of full-time undergraduate students

13 enrolled per semester in three or more

14 primary courses with professors of any rank 61

15 Average number of years taken to graduate for

16 students who began as freshmen 4.6

17 The state general fund appropriations shall not be used for alumni

18 association funding.

19 The appropriated monies shall not be used for scholarships.

20 The appropriated monies shall not be used to support any student

21 newspaper.

22 Any unencumbered balances remaining in the collections account on June

23 30, 2009 and all collections received by the university during the fiscal

24 year, when paid into the state treasury, are appropriated for operating

25 expenditures, capital outlay and fixed charges. Earnings on state lands and

26 interest on the investment of the permanent land funds are appropriated in

27 compliance with the enabling act and the Constitution of Arizona. No part of

28 this appropriation may be expended for supplemental life insurance or

29 supplemental retirement. Receipts from summer session, when deposited in the

30 state treasury, together with any unencumbered balance in the summer session

31 account, are appropriated for the purpose of conducting summer sessions but

32 are excluded from the amounts enumerated above.

33 The appropriated monies shall not be used for the centennial scholars

34 program.

35 The appropriated amount for the teacher training line item shall be

36 distributed to the Arizona K-12 center for program implementation and mentor

37 training for the Arizona mentor teacher program prescribed by the state board

38 of education.

39 Sec. 12. UNIVERSITY OF ARIZONA

40 2009-10

41 Main campus

42 FTE positions 5,111.5

43 Operating lump sum appropriation \$ 357,761,700

44 Agriculture 39,561,700

1	Arizona cooperative extension	14,062,600
2	Sierra Vista campus	5,434,800
3	Arizona board of regents tuition	
4	increase	<u>29,880,300</u>
5	Total - Main campus	\$ 446,701,100
6	Fund sources:	
7	State general fund	\$ 259,242,800
8	University collections fund	187,458,300
9	Performance measures:	
10	Per cent of graduating seniors who rate	
11	their overall university experience	
12	as "good"/"excellent"	96
13	Per cent of full-time undergraduate students	
14	enrolled per semester in three or more	
15	primary courses with ranked faculty	82
16	Per cent of full-time undergraduate students	
17	enrolled per semester in three or more	
18	primary courses with professors of any rank	50
19	Average number of years taken to graduate	
20	for students who began as freshmen	4.6
21	<u>Health sciences center</u>	
22	FTE positions	869.1
23	Operating lump sum appropriation	\$ 66,093,100
24	Clinical rural rotation	414,600
25	Clinical teaching support	9,521,100
26	Liver research institute	522,400
27	Phoenix medical campus	12,481,600
28	Telemedicine network	2,132,200
29	Arizona board of regents tuition	
30	increase	<u>3,219,700</u>
31	Total - health sciences center	\$ 94,384,700
32	Fund sources:	
33	State general fund	\$ 73,913,500
34	University collections fund	20,471,200
35	Performance measures:	
36	Per cent of graduating seniors who rate	
37	their overall university experience	
38	as "good"/"excellent"	98
39	Total appropriation - university of	
40	Arizona	<u>\$541,085,800</u>
41	Fund sources:	
42	State general fund	\$333,156,300
43	University collections fund	207,929,500

1 The state general fund appropriations shall not be used for alumni
2 association funding.

3 The appropriated monies shall not be used for scholarships.

4 The appropriated monies shall not be used to support any student
5 newspaper.

6 The appropriated monies shall not be used for the centennial scholars
7 program.

8 Any unencumbered balances remaining in the collections account on June
9 30, 2009 and all collections received by the university during the fiscal
10 year, when paid into the state treasury, are appropriated for operating
11 expenditures, capital outlay and fixed charges. Earnings on state lands and
12 interest on the investment of the permanent land funds are appropriated in
13 compliance with the enabling act and the Constitution of Arizona. No part of
14 this appropriation may be expended for supplemental life insurance or
15 supplemental retirement. Receipts from summer session, when deposited in the
16 state treasury, together with any unencumbered balance in the summer session
17 account, are appropriated for the purpose of conducting summer sessions but
18 are excluded from the amounts enumerated above.

19 Sec. 13. Department of transportation; vehicle license tax;
20 transfer

21 Notwithstanding any other law, \$43,170,600 received in fiscal year
22 2009-2010 pursuant to title 28, chapter 16, article 3, Arizona Revised
23 Statutes, relating to vehicle license tax, for distribution to the state
24 highway fund pursuant to section 28-6538, subsection A, paragraph 1, Arizona
25 Revised Statutes, shall be deposited in the state general fund.

26 Sec. 14. Reductions; fiscal year 2009-2010; K-12 education;
27 legislative intent; federal education stabilization
28 fund

29 A. Notwithstanding any other law, if this state receives federal
30 assistance from the federal education stabilization fund, the sum of
31 \$472,114,000 is reduced from appropriations made from the state general fund
32 in fiscal year 2009-2010 to the department of education for basic state aid
33 and additional state aid and is transferred to the state general fund.

34 B. It is the intent of the legislature that in fiscal year 2009-2010,
35 \$472,114,000 will be disbursed from the federal education stabilization fund
36 to school districts and not-for-profit charter schools in order to restore
37 the funding reduction made in subsection A. These monies shall be disbursed
38 in accordance with the provisions of the American recovery and reinvestment
39 act of 2009.

40 C. Notwithstanding any other law, for fiscal year 2009-2010, the use
41 of the monies specified in subsection B shall not impact the revenue control
42 limit of any school district.

43 D. As soon as possible after the effective date of this act, the
44 department of education shall reduce by the amount specified in subsection A
45 of this section the amount of basic state aid and additional state aid

1 funding that otherwise would be apportioned to school districts and
2 not-for-profit charter schools for fiscal year 2009-2010 pursuant to section
3 15-973, Arizona Revised Statutes. The timing of these reductions may be
4 adjusted to ensure compliance with the maintenance of effort requirements of
5 the American recovery and reinvestment act of 2009.

6 E. Any reduction in basic state aid and additional state aid funding
7 that occurs under this section shall not result in a reduction in basic state
8 aid funding for for-profit charter schools.

9 F. Notwithstanding any other law, the sum of basic state aid and
10 additional state aid funding that school districts and not-for-profit charter
11 schools receive for fiscal year 2009-2010 from all sources, plus federal
12 education stabilization fund monies that they will receive pursuant to this
13 section, shall not exceed the amount that they would be entitled to receive
14 under the basic state aid and additional state aid funding formulas
15 prescribed in state law for fiscal year 2009-2010.

16 G. Notwithstanding any other law, the sum of basic state aid and
17 additional state aid funding that school districts and not-for-profit charter
18 schools receive for fiscal year 2009-2010 from all sources, plus federal
19 education stabilization fund monies that they will receive pursuant to this
20 section, shall not exceed the amount that they would receive under the
21 state's application for federal education stabilization fund monies.

22 Sec. 15. Reductions; fiscal year 2009-2010; higher education;
23 legislative intent; federal education stabilization
24 fund

25 A. Notwithstanding any other law, if this state receives federal
26 assistance from the federal education stabilization fund, in addition to any
27 other reductions made in sections 8 through 12 of this act, the sum of
28 \$10,000,000 is reduced from the appropriations made from the state general
29 fund in fiscal year 2009-2010 in sections 8 through 12 of this act for the
30 support and maintenance of institutions under the jurisdiction of the Arizona
31 board of regents and is transferred to the state general fund. On or before
32 September 1, 2009, the Arizona board of regents shall report to the joint
33 legislative budget committee the final allocation of the \$10,000,000
34 reduction. The Arizona board of regents shall reduce funding to the
35 institutions under its jurisdiction in proportion to the state general fund
36 appropriation received by each institution.

37 B. It is the intent of the legislature that in fiscal year 2009-2010,
38 \$10,000,000 will be disbursed from the federal education stabilization fund
39 to the Arizona board of regents, which will restore the funding reductions
40 made in subsection A. These monies shall be disbursed in accordance with the
41 provisions of the American recovery and reinvestment act of 2009. The
42 legislature intends that the Arizona board of regents allocate the
43 \$10,000,000 disbursement in a manner that does not increase the differences
44 in per student funding among the universities.

1 C. It is the intent of the legislature that the Arizona board of
2 regents may receive additional federal education stabilization fund monies
3 above \$10,000,000 if awarded by the governor. The Arizona board of regents
4 shall report to the joint legislative budget committee the final allocation
5 of all federal education stabilization fund disbursements within thirty days
6 of allocating the monies.

7 Sec. 16. Fiscal year 2009-2010 conditional appropriations

8 A. On or before December 15, 2009, the directors of the joint
9 legislative budget committee and the governor's office of strategic planning
10 and budgeting shall project the state general fund revenues for fiscal year
11 2009-2010, which would include all state general fund revenues, not including
12 the beginning balance, for fiscal year 2009-2010, including one-time revenues
13 and revenues from any voter-approved temporary additional transaction
14 privilege tax rate increment.

15 B. If the amount projected pursuant to subsection A of this section
16 exceeds all budgeted state general fund revenues, not including the beginning
17 balance, for fiscal year 2009-2010, including one-time revenues, the amount
18 of the difference shall be appropriated from the state general fund to cities
19 and towns that receive vehicle license tax monies pursuant to section
20 28-5808, subsection A, paragraph 2, subdivision (c) and subsection B,
21 paragraph 2, subdivision (c), Arizona Revised Statutes, and that are required
22 to distribute a portion of those monies in fiscal year 2009-2010 to local
23 school districts, distributed based on the cities' and towns' relative
24 population and not to exceed \$22,000,000.

25 C. On or before December 15, 2009, the directors of the joint
26 legislative budget committee and the governor's office of strategic planning
27 and budgeting shall jointly notify the governor, the president of the senate
28 and the speaker of the house of representatives whether the amount projected
29 pursuant to subsection A of this section exceeds all budgeted state general
30 fund revenues, not including the beginning balance, for fiscal year
31 2009-2010, including one-time revenues and, if so, the total excess amount.

32 D. If the report in subsection C of this section indicates a total
33 excess amount of revenues, by December 28, 2009, the governor shall issue a
34 public notice stating the amounts appropriated from the state general fund
35 for the purposes specified in subsection B of this section.

36 Sec. 17. Reduction in state full-time equivalent employees

37 A. On or before February 1, 2010, the number of full-time equivalent
38 employees for every general fund supported agency, board, commission or other
39 entity of this state shall be reduced by five per cent. To meet this
40 requirement, an agency, board, commission or other entity may not reduce the
41 hours of or furlough any employee. The reduction may only be made through
42 reduction of positions.

1 B. Every agency, board, commission or other entity that is required to
2 reduce full-time equivalent employees pursuant to subsection A shall report
3 on how the reduction was accomplished to the joint legislative budget
4 committee on or before June 1, 2010.

5 Sec. 18. Automobile theft authority; reduction; transfer

6 In addition to any other reductions made to the automobile theft
7 authority's fiscal year 2009-2010 appropriation, the automobile theft
8 authority fund appropriation to the automobile theft authority is reduced by
9 \$500,000 in fiscal year 2009-2010 and is transferred to the state general
10 fund.

Passed the House July 31, 2009

by the following vote: _____ Ayes,

_____ Nays, _____ Not Voting

[Signature]
Speaker of the House

[Signature]
Chief Clerk of the House

Passed the Senate August 12, 2009

by the following vote: 16 Ayes,

9 Nays, 5 Not Voting

[Signature]
President of the Senate

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

20 day of August, 2009

at 2:38 o'clock P. M.

[Signature]
Secretary to the Governor

Approved this 4th day of

September

at 2:40 o'clock P. M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this _____ day of _____, 20____

Third Special Session
H.B. 2006

at _____ o'clock _____ M.

Secretary of State